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SUMMARY RECORD OF THE 13th MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

(Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.20 p.m.

AGENDA ITEM 112: JOINT INSPECTION UNIT (continued) (A/46/34, A/46/89 and A/46/219)

1. Mr. INOMATA (Japan) said that article 9 of the Statute of the Joint Inspection Unit (JIU) required it to make its annual programme of work available to the Secretary-General, the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the participating organizations, while article 10 required it to submit an annual report on its activities. Therefore, although the Fifth Committee appeared to have agreed at its 10th meeting to postpone substantive consideration of the item until the forty-seventh session of the General Assembly, the JIU Statute limited its ability to do so.

2. In response to paragraph 2 of resolution 45/237, the Unit had adopted a new approach in its reports which allowed for a continuing dialogue on its work programme with the General Assembly, but some of the proposed changes required the guidance of the General Assembly if they were to be adequately implemented. First, the General Assembly should request ACABQ to assist JIU in identifying system-wide issues for analysis as part of the coordination and cooperation proposed by JIU in paragraph 25 (b) of its report (A/46/34) and in accordance with General Assembly decision 45/450. Such an arrangement appeared essential if JIU was to comply with paragraph 2 (a) of resolution 45/237.

3. Second, the General Assembly should address the painful slowness with which the United Nations followed up JIU recommendations concerning performance reporting. In his latest report on methodology for monitoring and reporting the programme performance of the United Nations (A/46/173) the Secretary-General made no reference to the 1988 JIU report (A/43/124) and proposed no fundamental changes in programme performance reporting. The Secretary-General should in fact accept the 1988 report as a basis for monitoring programme performance. Moreover, the Advisory Committee had recommended that the production of such reports by the Secretary-General should be suspended pending resolution of the methodological difficulties. The General Assembly should therefore agree to have the 1988 report reconsidered, for that would facilitate the establishment of a complete programming cycle and ensure that future performance reports assisted Member States in measuring results against stated objectives. It would also be useful for the General Assembly to request the organizations concerned to observe strictly the time-limits for commenting on JIU reports.

4. Third, the silence of the Secretary-General and the Administrative Committee on Coordination (ACC) on the Unit's resource requirements was puzzling, especially in view of the request made by the General Assembly in paragraph 3 of resolution 45/237. Furthermore, the Secretary-General had proposed no resource growth for the biennium 1992-1993. In the absence of any

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clarification of the status of the budgetary proposals submitted by JIU in paragraphs 10 to 17 of its report, and of any comments thereon by the Secretary-General and ACC, his delegation was unable to entertain the JIU request. The General Assembly should take note of the proposals and request ACABQ to examine them with a view to improving the Unit's working methods and performance and to report thereon to the General Assembly at its forty-seventh session.

5. Lastly, his delegation invited the Secretariat to provide the report requested in paragraph 8 of resolution 45/237 on actions taken by the participating organizations to enhance consideration of the JIU reports by their governing bodies.

6. Mr. WIBISONO (Indonesia) said that the rapid changes in the world had brought vast opportunities and challenges for the United Nations, and it was in that context that JIU could make its greatest contribution. His delegation agreed therefore with the representative of Japan that consideration of the item should continue on an annual basis. Since the Unit frequently had to act at short notice, it must maintain a continuing dialogue with the General Assembly. Furthermore, since its main purpose was to enhance the Organization's administrative efficiency and use of funds, its recommendations should be as up to date as possible, especially in view of the changing priorities and needs. A decision on enhancing the Unit's research capacity should therefore be taken during the current session.

7. The current review of the Unit's composition provided a good opportunity to reassess its activities and purposes. The ongoing efforts to devote greater attention to management, budgetary and administrative issues and concentrate on specific operational problems were welcome; the inspectors were right to try to improve the selection of topics for review. Given the current drive for more efficiency and coordination, the Unit's expertise and experience should be fully used in the restructuring of the United Nations. Lastly, his delegation supported the proposal that JIU should be invited to make a study of the pattern of conferences, taking into account the debate at the current session.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued) (A/46/6/Rev.1 and A/46/7)

AGENDA ITEM 108: PROGRAMME PLANNING (continued) (A/46/16 and Add.1, A/46/173 and A/46/330)

General debate (continued)

8. Mr. ZAHID (Morocco), speaking on behalf of the States members of the Arab Maghreb Union, said that the proposed programme budget for the biennium 1992-1993 (A/46/6/Rev.1) was being considered at a time of profound change, entailing growth in the Organization's activities as States made increasing calls upon it. The corresponding increased contributions placed a burden on

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State budgets, particularly the budgets of developing countries which faced serious economic difficulties. In pursuit of enhanced efficiency, the Secretariat must therefore exercise restraint and ask for additional resources only if other funding was not available.

9. The Secretariat seemed to have exercised such restraint in the present case because the real growth in the proposed budget remained below 1 per cent. Although the zero growth rate indicated in the programme budget outline was unrealistic in the light of the Organization's increased activities, the real growth rate of 0.9 per cent did raise some questions, especially if it was due to the creation of new posts and the reclassification of others, apparently in contradiction with the provisions of the budget reform. It would help the Committee if the Secretariat could provide further information justifying the proposed new posts and reclassifications.

10. In contrast to the growth proposed for activities which were not all priorities, as defined in the introduction to the medium-term plan and in resolution 45/255, a worrying negative growth was proposed for organs of vital importance for the economic development of the developing countries. Since the proposed programme budget should promote the implementation of the priority programmes, it was encouraging to see included in section 11 a specific programme for the economic recovery and development of Africa, which would remain a priority concern of the international community. However, the proposals were not commensurate with the needs entailed by Africa's critical economic situation. Moreover, the section did not specify the programme of activities or the outputs to be delivered. It should therefore be amended to take into account the conclusions and recommendations contained in the report of the Committee for Programme and Coordination (CPC) (A/46/16 and Add.1), paragraph 156 of which recommended that adequate resources should be provided for the economic recovery and development of Africa.

11. Under several sections of the budget there seemed to be an excessive use of consultants. Consultants should be used only for activities that demanded outside technical expertise. Moreover, the recruitment of consultants should not be limited to a particular geographical area and steps should be taken to identify and call on qualified consultants from developing countries.

12. In paragraph 14 of its report (A/46/7), the Advisory Committee recommended reductions totalling $43,382,100 in the expenditure estimates and a net reduction of $451,300 in the estimates of income. If adopted by the General Assembly, that recommendation would mean a 1.8 per cent cut in the programme budget. Although the Chairman of the Advisory Committee had assured programme managers that the reductions would have no negative effect on programme execution, it would be useful if the Secretariat could indicate the impact of the recommendation on the real and nominal rates of growth and on programmes, particularly since the Secretary-General, in introducing the programme budget, had said that the amount requested was the minimum required to enable the Organization to carry out its mandates. The members of the Arab

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Maghreb Union were particularly concerned about the further reductions recommended by the Advisory Committee in some sections of the proposed programme budget which already showed a negative rate of growth, in particular sections 15 and 18.

13. The total amount of the proposed programme budget, although higher than the revised appropriations for the biennium 1990-1991, was lower than the corrected preliminary estimate in the budget outline. However, unlike the two previous programme budgets, which had shown a negative rate of growth, the proposed programme budget for the biennium 1992-1993 showed a rate of real growth of 0.9 per cent, which was higher than the 0 per cent indicated in the outline adopted in 1990. Those successive inconsistencies showed how difficult it was to establish a comparison between the preliminary estimate in the outline and the proposed programme budget. In that connection, he pointed out that the General Assembly had recommended flexibility in implementing a budgetary procedure that was still experimental. The needs of the programme must take priority over any rigid and arbitrary limit on the rate of growth of resources. The General Assembly had never adopted a zero growth rate as a standard.

14. While the members of the Arab Maghreb Union were in favour of financing some of the Organization's programmes from extrabudgetary resources, they believed that the impact of those resources on the priorities established by the General Assembly needed to be studied closely. The report of JIU on the question (JIU/REP/90/3) was welcome as a preliminary attempt to throw light on the problem. The General Assembly had some time earlier asked the Secretariat to prepare an in-depth study showing the influence of extrabudgetary resources on established programmes and priorities; that request still stood.

15. Some welcome changes had been made in the structure of the budget for the biennium 1992-1993: there was a closer correspondence between the Parts of the budget and the major programmes of the medium-term plan, and proposed activities had been regrouped into eight categories. The changes were still not enough, however, and the Secretariat should continue its efforts to ensure a more comprehensive and transparent presentation of the budget. The members of the Arab Maghreb Union supported the invitation by CPC to the Secretary-General (A/46/16, para. 53) to submit a prototype of a new budget format to the General Assembly at its forty-seventh session, through the Advisory Committee and CPC. They also supported the suggestion by CPC that the Secretary-General should organize a seminar to examine questions of methodology before the thirty-second session of CPC (A/46/16, para. 49). He hoped that the Secretariat would initiate the preparations for the seminar as soon as possible.

16. The methodology used in the preparation of the programme budget remained highly complex and confusing. The elements which needed re-examination included the question of recurrent and non-recurrent expenditures and the method of calculating real and nominal rates of growth. According to paragraph 35 of the Advisory Committee's report (A/46/7), the Secretariat had

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tried to streamline the presentation of non-recurrent expenditures. However, as the Advisory Committee noted, the major categories of non-recurrent items were still retained.

17. He noted that, according to the Introduction to the programme budget (A/46/6/Rev.1), the proposed staffing table of 10,129 regular posts included 31 temporary posts and 81 new posts and represented an increase of 0.8 per cent over the staffing table approved for the previous biennium. As explained in paragraph 21 of the Introduction, however, only 51 posts would really be new, the others being reclassifications from "temporary non-recurrent" posts and posts previously financed from either general temporary assistance funds or extrabudgetary resources. He also noted the proposal in the Introduction for the reclassification of 67 posts, based on the nature of the functions to be performed (para. 24). The Advisory Committee had made a number of recommendations in that connection and the members of the Arab Maghreb Union would revert to the matter during the consideration of the various sections of the budget.

18. The Secretary-General should be encouraged to continue to improve the format and presentation of the programme budget and the methodology for its preparation, to ensure a more efficient and effective use of resources, the adequate funding of programmes and the scrupulous implementation of intergovernmental mandates and of the Organization's overall priorities.

19. Mr. SAHU (India) said that, while his delegation welcomed and fully supported the newly enhanced and more diversified role of the United Nations, it recognized that the Organization was faced with the dilemma of implementing new and ever increasing mandates with resources that remained constant. It was difficul to understand the continued attachment in some quarters to the concept of "zero real growth", which was clearly not compatible with the expanded role that the United Nations was expected to fulfil. The concept had never been endorsed by the General Assembly and, as the Chairman of ACABQ had pointed out, the Advisory Committee had never been guided by it. His delegation believed, moreover, that the budget outline provided merely an indicative figure which assisted the Secretariat in formulating budget proposals; it did not set a rigid ceiling on the budget. The proposed programme budget of $US 2,362,977,700 for the biennium 1992-1993 was within the budget outline approved under General Assembly resolution 45/255 and represented a rate of real growth of only 0.9 per cent.

20. If the Organization was expected to implement its existing mandates and to assume new and additional responsibilities, additional resources must be made available. Failing that, the only way in which competing demands could be met would be by eliminating activities that were obsolete or of low priority and using the resources released for high priority areas. Such a course, while acceptable in principle, was impracticable since it presupposed a degree of intergovernmental consensus on priorities which did not exist. His delegation could not accept that areas and programmes in which the United

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Nations had traditionally been involved had ceased to be relevant merely because they had remained on the agenda for several years. The fact that the Organization had been unable to address some issues effectively did not mean that they should be given up; rather, it called for the redoubling of efforts.

21. As to the technical question of the level of activity at which a priority designation could be applied, it was difficult to apply priorities at the level of major programmes or programmes of the medium-term plan. Priorities were therefore applied only at the subprogramme or lower levels and consequently any reference to the link between priority designations and the allocation of resources should be confined to subprogrammes. That link could result in a reallocation of resources within a section of the budget, but there should be no such reallocation between different sections or programmes.

22. Five main priority areas had been identified in General Assembly resolution 45/253 (sect. I, para. 12): the maintenance of international peace and security, the economic development of developing countries, the economic recovery and development of Africa, the environment and international drug control. The implication was that, over time, the Organization should involve itself ever more actively in those areas. The Secretary-General's budget proposals should be guided by that mandate, taking into account the regulations and rules governing programme planning. Although to some extent that had been done in the proposed programme budget for the biennium 1992-1993, the area of human rights, which had not been identified as a priority area in resolution 45/253, had been singled out for special consideration. His delegation supported world-wide efforts to strengthen human rights, but not at the expense of priority commitments to development, particularly those which had been made by the United Nations years earlier. For Part VI of the budget, which dealt with human rights and humanitarian affairs, a rate of real growth of 4.3 per cent, one of the highest in the budget, was proposed. For section 28, Human Rights, a rate of real growth of 10.9 per cent was proposed, while for section 18, Centre for Science and Technology for Development, and section 15, United Nations Conference on Trade and Development, negative rates of growth were proposed. It would appear from those figures that one section had been given priority over others.

23. The General Assembly had delegated authority to the Advisory Committee to approve transfers between sections of the budget. While his delegation agreed that it was essential to give the Secretariat some flexibility, it was equally important to ensure that any reallocation of resources did not result in a distortion of priorities. His delegation would like to ascertain the details of any transfers between sections requested by the Secretary-General and approved by the Advisory Committee during the biennium 1990-1991. It would also like to know whether there was any procedure whereby the Advisory Committee reported to the Fifth Committee on that matter on a regular basis.

24. It was in the collective interest of all Member States that the Organization should follow a rigorous regime of financial and managerial

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efficiency and accountability. The Advisory Committee played a crucial role in that regard and was to be commended for having recommended reductions, and provided the necessary justification for its recommendations, in the appropriations for several budget sections. His delegation noted the Advisory Committee's view that those cuts could be made without any impact on the implementation of the mandates entrusted to the Organization.

25. The limited growth of resources under the regular budget had coincided with a significant increase in extrabudgetary resources. That trend had positive implications in that Member States were not required to make mandatory payments in difficult financial times, but it also gave rise to concern. It was important to ensure that extrabudgetary resources did not distort the priorities set by the Organization, and that practices and procedures in matters relating to administrative, budgetary and personnel management and procurement were not unduly influenced by those resources. His delegation accordingly agreed with the view expressed by the Advisory Committee in paragraph 71 of its report (A/46/7) and looked forward to receiving the Secretary-General's report on the matter.

26. The apparent contradiction between the positive rate of real growth of 0.9 per cent shown in the proposed programme budget and the zero real growth projection in the Secretary-General's report on the programme budget outline (A/45/369) required further clarification. The concept of rate of real growth also needed further refinement. The definition of non-recurrent resources was clearly unsatisfactory. Although some progress had been made, his delegation agreed with the Advisory Committee that the concept of non-recurrent expenditure should be examined in further detail, possibly by the experts attending the technical seminar recommended by CPC.

27. With regard to the proposed staffing table, he noted that the definitions of the various types of posts in the Organization were extremely complex and could benefit from rationalization. There seemed to be a growing trend in certain sections of the budget to shift posts funded from extrabudgetary resources to the regular budget, and efforts were also made to convert temporary posts into established posts. The Advisory Committee had examined the matter in detail in the individual sections; in some cases it accepted the Secretariat's justification for its proposals and in some it did not. In general, his delegation was not in favour of shifting posts from extrabudgetary to regular budget funding.

28. He noted the considerable expenditure on external printing and binding and would like to hear from the Secretariat whether it would be possible to reduce that expenditure by setting up additional in-house facilities for printing and binding or by strengthening already existing facilities.

29. Unliquidated obligations and unobligated appropriations provided a cushion in the budget base and tended to result in overstated future budgetary requirements. The zero growth concept notwithstanding, a sizeable amount of

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under-utilized balances remained. His delegation would like information from the Secretariat on those balances over the past four or five bienniums, so that it could address the issue in greater detail at the appropriate time.

30. He noted that the programmes of work for most sections of the budget had not been reviewed by the intergovernmental bodies concerned. That was regrettable and steps should be taken to ensure that the situation was remedied in accordance with the budgetary procedure set out in General Assembly resolution 41/213.

31. He commended the Secretariat on the improvements that had been made in the format and presentation of the budget. There was a greater correspondence between the programmes of the medium-term plan and the Parts of the budget document. Activities and outputs had been rationalized into eight categories and there had been some improvement with regard to non-recurrent expenditures.

32. The item on the proposed programme budget was perhaps the most important one on the Committee's agenda. Consensus agreement on it would require long and arduous negotiations and his delegation was fully prepared to cooperate in that difficult task.

33. Mr. PANOV (Bulgaria) said that the changing realities of the post-confrontation world heightened the importance of the current process of the restructuring and revitalization of the United Nations in the economic and social fields. That should be adequately reflected in the budget. His delegation strongly supported the goal of improved coordination between the organizations in the United Nations system in order to eliminate wasteful duplication. Due recognition should be given in the budget to the five priority areas identified for the biennium 1992-1993.

34. His delegation supported the guiding principle of zero real growth, although it recommended a certain flexibility in that respect and strongly believed that consensus on all budgetary matters was of vital importance for the efficient functioning of the United Nations.

35. He fully agreed with the view expressed by CPC that the methodology and format of the budget should be simplified and made more transparent. The ad hoc technical seminar proposed by CPC could provide valuable insight in that area. His delegation shared the opinion of ACABQ that further reductions were still possible and, like a number of other delegations, agreed with the view expressed in CPC that existing staff should be redeployed from non-priority areas in order to alleviate the need to create new posts. In that connection, it also had doubts about the proposal to fund some extrabudgetary posts from the regular budget.

36. Taking into consideration the financial crisis of the United Nations and the need for budgetary constraint, his delegation considered Part IV of the programme budget, International Cooperation for Development, well balanced.

(Mr. Panov, Bulgaria)

The activities provided for would play a significant role in facilitating sustainable and environmentally sound economic development. His delegation attached particular importance to Part V, Regional Cooperation for Development, and was glad to see the high profile given in section 25 to the problems of the Eastern European economies "in transition".

37. The proposal by the Secretary-General in his report on the work of the Organization (A/46/1) regarding the establishment of a strategic reserve fund merited special attention. His delegation also confirmed its support for his appeal that payments of assessed contributions should be made on time and in full. Despite Bulgaria's serious economic and financial difficulties, his Government was determined to honour its obligations to the United Nations regular budget.

38. Mr. BAHADIAN (Brazil), referring to the review process which had been initiated by the Group of High-Level Intergovernmental Experts, said that, while there was still room for improvement in the presentation, the proposed programme budget for the biennium 1992-1993 provided more information on extrabudgetary resources, was generally clearer and proved easier to relate to the medium-term plan than had been the case in previous budget proposals. It did, however, call for a real growth of 0.9 per cent, or a 10.7 per cent increase over the revised figures for the preceding period. Brazil, which was currently the twelfth largest contributor to the Organization although it was only fifty-seventh in terms of per capita income, was undergoing an economic reform that made it particularly hard for it to respond to increased budget demands.

39. The limited capacity to pay of some Member States and, in particular, the practice of withholding payment of contributions tended to lead to over-budgeting in order to compensate for anticipated cash-flow shortages. There was, however, nothing to support the idea that more resources alone led to improved efficiency and effectiveness, but his delegation would not wish to see cost-saving measures or the redeployment of resources which might hamper the implementation of vital programmes.

40. Finally, he wished to highlight the fact that the regular budget accounted for less than half of the estimated expenditure for the biennium 1992-1993. The increasing importance of extrabudgetary resources called for unbiased and informed reflection on their impact on the administration and implementation of United Nations programmes.

41. Mr. PICKERING (United States of America) said that his country fully endorsed the recommendations of ACABQ and CPC. At a time when the United Nations was being called upon to assume many new responsibilities, it urgently needed to be equipped with the management and administrative structures that would strengthen its capacity and flexibility so that it could make the most effective use of the resources placed at its disposal. The recommendations of the Group of High-level Intergovernmental Experts, approved in General

(Mr. Pickering, United States)

Assembly resolution 41/213, had been a significant step in that direction, although many of those recommendations had still not been fully implemented. Given the pressing need to fund new activities, further reform was necessary as soon as possible.

42. Ongoing discussions among delegations revealed a consensus on that subject. His delegation hoped that those consultations would lead to agreement on key elements of a proposal that would give the Secretary-General the mandate to carry out needed reforms. Such a proposal should be considered with the Secretary-General and then further developed with a view to presenting a final package to the General Assembly for adoption.

43. Meanwhile, attention should be given to immediate problems, such as the constraints that the Secretary-General had experienced in seeking to respond to new mandates from the General Assembly and the weaknesses in the current programme budgeting system that prevented the Organization from shifting resources from old activities to new ones. His delegation believed that the Fifth Committee was well placed to address those shortcomings.

44. Current systems did not provide the Secretary-General with the authority and mechanisms he needed, as chief executive, to set clear priorities, conduct independent evaluations of programmes and redeploy resources. It was important that the medium-term plan should not act as a strait-jacket. Existing regulations required the Secretary-General to fund all the programmes in the plan for six years, irrespective of their effectiveness or continued utility or relevance. Careful consideration should be given to granting the Secretary-General new authorities that would enable him to take a more selective approach and to clarify priorities. The fact that budgets had to be approved by the General Assembly meant that the Secretary-General's use of such new authorities would be subject to review by Member States. As a rule, resources should be concentrated in areas in which the United Nations had a comparative advantage and could achieve results.

45. Member States should also play a more active role in the priority-setting process. The Secretary-General's priorities and programme and funding options should be presented in a way that allowed Member States to take an active part in the allocation of resources.

46. Existing programme evaluation mechanisms did not provide the analysis and information required for good budget decisions. A new, independent system of programme evaluation and auditing was needed. His delegation strongly believed that an office of United Nations inspector general should be created to replace existing structures; the inspector general would report directly to the Secretary-General and the Assembly on all aspects of programme and financial management.

47. His delegation did not believe that the collective interests and needs of Member States were served by the programme planning, budgeting and evaluation

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process that had evolved over the preceding two decades. At a time of radical reform throughout the world, the Committee should take action during the current session to improve that process.

48. Turning to the proposed programme budget for the biennium 1992-1993, he said that his delegation was greatly encouraged by the recommendation of CPC that the approved budget should reflect the premises on which the budget outline had been based, namely, zero real growth. In reviewing the medium-term plan for 1992-1997, which provided the programmatic basis for the proposed budget, his delegation had expressed the hope that an increasing share of resources would be devoted to innovative programmes and activities. The proposed programme budget did not reflect the need to move in new directions; rather, it appeared to be business as usual. Many of the programmes funded consisted largely of recurrent and non-recurrent publications - some 2,500 in all. Other funded activities were marginal, ineffective and largely symbolic. Indeed, unlike previous budget proposals, the proposed budget for 1992-1993 did not appear to suggest the termination of any current programmes.

49. His delegation strongly supported the recommendations of ACABQ for a reduction of $43 million in the appropriations for travel, temporary assistance for meetings and external printing and it believed that further reductions were possible. It also endorsed the proposal of ACABQ for a reduction of $13.3 million to reflect the underutilized balance anticipated at the end of the biennium. That budgeting procedure was commonly used by many Governments around the world, including his own. Since, as the Advisory Committee noted, the $13.3 million reduction would leave a probable balance of $21.5 million, it would have been fully justified in recommending a further reduction.

50. The proposals to add 81 new posts and reclassify 60 existing posts were responsible for most of the real growth in the proposed budget. While his delegation largely supported the priority programmes in the budget, those activities should have been strengthened through the redeployment of existing staff. Moreover, it regretted that no further progress had been made in the reduction of high-level posts, despite repeated requests by the General Assembly for full implementation of the 25 per cent reduction mandated in resolution 41/213.

51. Further staff reductions were possible. A vacancy rate should be established for budgeting the costs of General Service staff, since the current methodology tended to inflate the budget. The proposed budget should also be adjusted to take into account the request by the General Assembly in resolution 45/241 regarding the salary levels of New York General Service staff. Furthermore, health insurance costs for current and retired staff could be reduced if the United Nations applied the policies and standards of the comparator civil service. Finally, funding of all staff union activities should be terminated.

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52. His delegation recognized that the United Nations needed a secure financial base in order to respond to new demands and expectations, and it was ready to work with the Secretary-General and with other Member States in seeking practical, creative solutions to the funding of peace-keeping and emergency operations. The United Nations could not, however, ignore the relationship between the willingness of Member States to support the Organization and the need for greater efficiency and transparency in programming and budgeting. Zero real growth was desirable and possible. His delegation would do everything it could to ensure the adoption of a consensus budget that reflected fiscal responsibility and the priority needs of the world community.

53. Mr. BAGBENI ADEITO NZENGEYA (Zaire) said that the proposed programme budget before the Committee reflected the priorities and preliminary estimates set forth in General Assembly resolutions 45/253 and 45/255. His delegation noted the methodological difficulties referred to in the budget document (A/46/6/Rev.1, vol. I, para. 18), and endorsed the real rate of growth of 0.9 per cent. The estimates contained in the outline of resources needed to attain the Organization's objectives should correspond more closely to figures in the budget proper. As CPC had noted (A/46/16, para. 28), approximately one fifth of the resources requested by the Secretary-General corresponded to activities not programmed in the medium-term plan. That was essentially because of the establishment and reclassification of various posts within the Secretariat.

54. Programmes should be implemented in accordance with the priorities identified by the General Assembly. In that connection, his delegation was concerned to note from the report of CPC (A/46/16, para. 46) that many priority subprogrammes in the economic and social sectors had not received increased resources. Moreover, the zero rate of growth under sections 15 and 18 did not reflect the priority accorded to the economic development of developing countries.

55. His delegation was also concerned by the inconsistency between the Advisory Committee's recommendations for budget reductions and its recommendation for 107 additional established posts (A/46/7, para. 44). The recognition by the Advisory Committee that reductions should not apply to regional commissions (A/46/7, para. 14) was welcome.

56. Extrabudgetary resources were assuming ever greater importance, and a clear definition of the role of such funding in the overall financial structure was therefore needed. In that connection, he noted the Advisory Committee's expression of regret (A/46/7, para. 71) that the proposed programme budget did not show greater improvement in the presentation of extrabudgetary funds. There was an increasing trend towards the financing of activities which had traditionally been funded under the regular budget from extrabudgetary sources. Regular budget funding offered a surer guarantee of stable funding, a fact of particular importance with regard to section 23

(Mr. Bagbeni Adeito Nzengeya, Zaire)

(Economic Commission for Africa). His delegation welcomed the Advisory Committee's recommendations concerning that section and noted the importance of providing ECA with the funds requested by the General Assembly for conference-servicing and other activities. It also shared the view that, in the absence of sufficient funding under the regular budget, extrabudgetary funds should be used.

57. The Organization's prestige was bound up in its ability to resolve conflicts and promote peace, understanding and cooperation among peoples, an interaction that was made possible by appropriate conference services which enabled all representatives to use the official languages. Thus, the resources devoted to conference-servicing under section 32 were of particular importance. In that connection, he noted the initiatives taken by the General Assembly to ensure parity in the use of official languages, and regretted the failure to provide adequate conference-servicing resources for the United Nations Environment Programme. Resource shortfalls were particularly noticeable in the areas of interpretation and translation for the Governing Council and the Committee of Permanent Representatives. Appropriate steps should be taken to rectify that situation.

58. The submission of recommendations on activities and priorities under the medium-term plan required the participation of all the competent intergovernmental organs. The Secretariat must submit appropriate justification for all requests for resources and proposals relating to the establishment, elimination, reclassification or transfer of posts within budget sections. The budget structure must continue to be improved and, in that connection, his delegation endorsed all the recommendations that had been made concerning improved presentation of the relationship of programmes to resources and the rationalization of the budget document. Equally, efforts to improve the linkage between the programme budget and the outline should be pursued. The ad hoc seminar proposed by CPC should assist in that regard.

59. His delegation agreed with CPC that the General Assembly should consider the programme budget from the perspective of seeking constant improvements in efficiency and of ensuring the provision of the means needed to attain the Organization's objectives. While the quest for efficiency must continue, the reform process initiated by resolution 41/213 could not be a precondition for the payment of contributions or withholdings. Such an attitude would be at variance with the principles of the Charter and the rules of procedure of the General Assembly, and would demonstrate a lack of confidence in the Organization itself. His own Government spared no effort to discharge its financial obligations towards the Organization, notwithstanding its current political and economic difficulties. Other States should also pay their contributions in a timely manner to enable the United Nations to carry out the mission entrusted to it.

60. Mr. DINU (Romania) said that his delegation agreed with the Secretary-General that the resources requested in the budget were the minimum required to implement the programmes proposed, bearing in mind that the United Nations was now being called upon to play a more active role in preventive diplomacy. He commended the attention paid by the Secretariat, during the budgeting process, to the five broad priorities established for the next biennium by the General Assembly.

61. With respect to the figures contained in the budget, it should not be assumed that reductions automatically resulted in greater efficiency. There was a threshold beyond which resource constraints inevitably affected programme delivery. Accordingly, calls for reductions should be thoroughly substantiated.

62. His delegation trusted that it would be possible to reach a consensus on the budget. Those who would be called upon to implement budget decisions, namely Secretariat departments, should be partners in such a consensus. Members would recall that programmes of work under many budget sections had not been reviewed by a competent intergovernmental body. That made the task of budgeting even more difficult.

63. In general terms, his delegation agreed with the proposals relating to staffing, but was not clear as to the rationale for the abolition of some posts. In some instances the replacement of a Professional post by a post at the Principal Officer or Director level had been presented as a cost-saving move. The overall distribution of posts in the Professional category, with almost 58 per cent at the P-3 and P-4 levels, was satisfactory.

64. With regard to methodology, his delegation recognized the efforts made to submit a budget within the framework of the medium-term plan, and noted the improvements in the budget document. The new structure corresponded more closely to major programmes under the medium-term plan, while the summaries of resource requirements better reflected total requirements. That facilitated analysis.

65. The Secretariat could hardly do more to improve methodology; it was now up to Member States. Flaws existed in the current methodology which could not be overcome by mere cosmetics. For example, year after year Secretariat officials attempted the difficult task of reconciling the budget outline with the proposed programme budget. Criticism of the Secretariat by the Fifth Committee in that connection was unwarranted, since the methodology itself was at fault. The Advisory Committee itself had acknowledged that the methodology for the outline was still in a formative stage, while that for the budget was well established.

66. Attempts to streamline the major categories of non-recurrent costs had foundered under the current methodology. Even the Advisory Committee was not firmly convinced that the concept of non-recurrent resources should be abolished. There was, too, the question of managing resources with reasonable

(Mr. Dinu, Romania)

flexibility, an approach which was not a favour bestowed on the Secretariat, but simply a matter of detailed accounting within limits established by Member States. His delegation, for its part, was sympathetic to the Secretary-General's comment that some flexibility for redeployment must be allowed within the budget.

67. As CPC had observed, the time had come to overhaul the budget methodology. His delegation fully supported the CPC recommendation that an ad hoc technical seminar should be convened to review budget questions.

68. He would welcome clarification of the Advisory Committee's comment (A/46/7, para. 85) on the dramatic increase in the work of some committees and commissions. Lastly, he was encouraged to note that the Organization had received some $US 195 million in contributions since 1 October 1991.

69. Mr. KRYZHANIVSKY (Ukraine) said that the proposed programme budget reflected the fundamental trends in world development, with the progress achieved in disarmament and the settlement of regional conflicts opening up possibilities for agreement in other important areas. The United Nations must react to the new situation, and its budget must be commensurate with the urgent demands of the world community. The effectiveness of the work of the Secretariat and the rational use of resources must remain priorities, and the funding of the increased activities must come from the redistribution of resources, the elimination of obsolete and less important programmes, and increased productivity.

70. When it had approved the budget outline in resolution 45/255, the General Assembly had recognized that the outline should provide a greater level of predictability of resources required and it had set a maximum level for the forthcoming biennium. However, the current budget proposals represented a real growth rate of 0.9 per cent, which was at variance with the decisions taken at the forty-fifth session and with resolution 41/213 on the new budgetary procedures. Such an approach would not help to limit the growth in the Organization's budget, and the Committee must analyse the causes of the situation and study the possibility of ensuring closer correspondence between the preliminary estimates contained in the budget outline and the proposed programme budget itself. It might then prove necessary to change the methodology for calculating real budget growth. The proposals for new posts and the reclassification of other posts also represented a worrying departure from previous decisions of the General Assembly.

71. In order to prevent real budget growth and to return to the consensus on the preliminary estimates set out in resolution 45/255, a comprehensive solution must be found to the problem of supplementary expenditures. In particular, the Committee should seek to determine what volume of resources could be transferred from areas of secondary importance to priority activities. His delegation supported the ACABQ recommendations on reduction of the proposed estimates and believed that the Fifth Committee would be able to identify additional reductions.

(Mr. Kryzhanivsky, Ukraine)

72. With regard to format, the programme part of the proposals differed from the previous budget in that it identified only general areas of activity. Such a summary approach might lead to difficulties in the control of programme delivery, and the issue warranted close attention. The increased attention given to priority-setting in programme planning was welcome, but the process was a complicated one which reflected the sometimes conflicting interests of Member States. It would nevertheless enhance the effectiveness of the Organization's work. The proposals put forward in the report of the Secretary-General on methodology for monitoring and reporting the programme performance of the United Nations (A/46/173) and in the CPC report might serve as the basis for further work. The four separate formats described in paragraph 8 of the Secretary-General's report ought to produce a fuller evaluation of activities. CPC had emphasized the importance of that point and the need for the performance report to enable Member States to identify outdated and inefficient activities and reformulate programmes. A vital component of planning must be the subordination of programming to the volume of resources which Member States were willing to contribute, for such an approach would eliminate shortcomings and prevent unplanned budget growth.

The meeting rose at 5.50 p.m.